

HOUSE BILL 1204  
By DuBois

AN ACT to amend Tennessee Code Annotated, Title 6, relative to the revitalization of certain municipalities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 6, is amended by adding sections 2 through 8 as a new chapter thereto.

SECTION 2. This chapter shall be known and may be cited as the "Main Street Act of 2003".

SECTION 3. The general assembly finds and declares the following:

(1) The continued economic vitality of business districts in Tennessee's smaller cities is essential to community preservation, social cohesion, and economic growth;

(2) In recent years, these central business districts have experienced economic difficulties due to shifting population bases, changes in the marketplace, and greater competition from suburban shopping malls;

(3) This decline has further eroded the ability of small businesses and property owners to renovate and enhance their commercial and residential properties;

(4) Merchants in the smaller cities are also experiencing greater difficulties in obtaining financial aid at reasonable interest rates, thereby further inhibiting their ability

to develop new business as well as continue existing operations; and

(5) Neighborhood commercial areas in small cities need to maintain their local economies in order to provide goods and services to adjacent residents, to provide employment opportunities, and to avoid disinvestment and economic dislocations.

#### SECTION 4.

(a) There is hereby created within the department of economic and community development a Tennessee Main Street Program which shall operate according to a plan developed by the department with the assistance of the following:

- (1) Organizations representing merchants and governments of small cities, historic preservation interests, financial institutions, and economic development groups;
- (2) A representative of the national federation of independent business;
- (3) The office of minority business enterprise;
- (4) The chair of the state historical commission;
- (5) Representatives of local housing authorities; and
- (6) The chairpersons of the house and senate state and local government committees.

(b) For the purposes of this chapter, "small cities" shall be municipalities with a population of less than one hundred thousand (100,000) according to the 2000 federal census or any subsequent federal census.

#### SECTION 5. In order to implement this program, the department shall:

- (1) Contract with the national main street center of the national trust for historic preservation to assist in accomplishing the program's objectives, to provide technical assistance to the department, and to assist in developing criteria for the selection of, and aid in selecting, the participating and demonstration communities;
- (2) Designate a program manager and staff;
- (3) Develop objective criteria for selecting the participating and demonstration

communities. The criteria shall include, but shall not be limited to:

(A) Evidence of interest and commitment to downtown economic development and historic preservation by both the private and public sectors;

(B) Evidence of potential private investment in the downtown area;

(C) A downtown with sufficient historic fabric to become a foundation for an enhanced community image; and

(D) Organization and financial commitment to implement a long-term economic revitalization program which includes a commitment to employ a full-time, professional project manager with an operating budget;

(4) Devise a method of inviting eligible communities to submit applications, select demonstration communities and additional participating communities in subsequent years; and

(5) Include in the program, in addition to the demonstration communities, any city which has on the effective date of this act a contract with the national trust's main street center for a local main street program.

SECTION 6. There is hereby established in the general fund the Tennessee main street program fund. All private contributions, federal funds, and fees for services, if levied, shall be deposited into the fund solely for the operation of such program.

SECTION 7. In order to reduce costs to the state, the department shall include in the plan a means to solicit private contributions for state and local operations of the program.

SECTION 8. The department shall include in an annual report to the general assembly a special report on the effectiveness of this program.

SECTION 9. This act shall take effect upon becoming a law, the public welfare requiring it.